COASTAL CONSERVANCY

Staff Recommendation March 17, 2011

THE CEDARS RAICHE-MCCRORY PROPERTY ACQUISITION

File No. 07-066-01 Project Manager: Lisa Ames

RECOMMENDED ACTION: Authorization to disburse up to \$240,000 to Save the Redwoods League to complete the acquisition of approximately 500 acres of property known as the "Raiche-McCrory Property" and add it to the Area of Critical Ecological Concern managed by the federal Bureau of Land Management within the area known as "The Cedars" in western Sonoma County.

LOCATION: The Cedars, Sonoma County

PROGRAM CATEGORY: San Francisco Bay Program

EXHIBITS:

Exhibit 1: The Raiche-McCrory Project Location Map

Exhibit 2: The Raiche-McCrory Parcel and Cedars Region Maps

Exhibit 3: The Cedars Endemic Plants and Natural Resources

Exhibit 4: High pH Spring Pool and Falls on Raiche-McCrory

Property

Exhibit 5: The Cedars Conservation Plan

Exhibit 6: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two hundred forty-thousand dollars (\$240,000) to Save the Redwoods League ("SRL") to complete the acquisition of approximately 500 acres of the "Raiche-McCrory

Property" (Assessor's Parcel Number 123-250-002) and add it to the Area of Critical Ecological Concern managed by the federal Bureau of Land Management within the approximately 11 square mile area known as "The Cedars" in western Sonoma County. This authorization is subject to the following conditions:

- 1. Prior to the disbursement of funds for acquisition, SRL shall submit for the review and approval of the Executive Officer of the Conservancy ("the Executive Officer"):
 - a. All relevant acquisition documents, including but not limited to an appraisal, environmental assessments, agreement of purchase and sale, escrow instructions, and documents related to title.
 - b. Evidence that SRL has obtained all funds necessary to complete the acquisition.
 - c. Evidence that the SRL has obtained permanent egress and ingress rights to the Raiche-McCrory Property for public access purposes consistent with natural resource protection of the property.
- 2. SRL shall pay no more than fair market value for the property as established in the appraisal approved by the Executive Officer.
- 3. SRL shall permanently dedicate the property in a manner acceptable to the Executive Officer for the purpose of protecting, restoring and enhancing habitat and open space, and the provision of public access compatible with this purpose.
- 4. SRL shall acknowledge Conservancy funding by erecting and maintaining a sign on the property that has been reviewed and approved by the Executive Officer.
- 5. SRL may transfer its interests in the Raiche-McCrory Property to the federal Bureau of Land Management or another public entity or nonprofit organization acceptable to the Executive Officer, provided the public agency or nonprofit organization agrees to hold, manage and operate these interests in the manner set forth in condition number three above."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with the purposes and objectives of Chapter 4.5 of Division 21 of the Public Resources Code, regarding the protection of natural habitats and resources of regional importance as described in Section 31162.
- 2. The proposed authorization is consistent with the current Project Selection Criteria and Guidelines most recently updated by the Conservancy on June 4, 2009.

3. Save the Redwoods League is a private nonprofit organization, existing under the provisions of Section 501 (c)(3) of the U.S. Internal Revenue Service Code whose purposes are consistent with Division 21 of the Public Resources Code."

PROJECT SUMMARY:

This authorization would enable Save the Redwoods League ("SRL"), a 501(c)(3) nonprofit organization, to complete the acquisition of 500 acres of the "Raiche-McCrory Property", add it to the Area of Critical Environmental Concern managed by the BLM, and create an ecological preserve within the approximately 11 square mile area known as "The Cedars" in western Sonoma County (Exhibits 1 and 2). Additionally, this acquisition would protect a crucial habitat corridor between the ancient redwood forests inland and the protected forests on the coast. The Cedars is an area with among the highest level of rare and endemic plants in California, and an area with geo-biological features unique in the world. The Cedars is characterized by its striking serpentine rock barrens, dotted with wildflowers, scrubs, highly-alkaline springs and scattered Sargent cypress woodlands. At least eight plant species have been found nowhere else on Earth. (Exhibits 3 and 4).

In 2007, the Conservancy authorized \$23,000 to the Sonoma Land Trust to develop a Conservation Plan and parcel study for the Cedars region to focus the efforts of the public and private organizations working to permanently protect The Cedars and to create an ecological preserve to provide opportunities for scientific research, educational outreach and appropriate public access. The Cedars Conservation Plan was completed in 2009 (Exhibit 5) and identifies the Raiche-McCrory property as a key acquisition due to its location adjacent to approximately 1,500 acres of Federal Bureau of Land Management (BLM) land designated as an Area of Critical Ecological Concern (ACEC), and the property's high concentration of the geological and botanical resources characteristic of the larger Cedars Conservation Region. Acquisition of the keystone Raiche-McCrory property would establish the permanent ecological preserve envisioned in The Cedars Conservation Plan.

Since 2009, SRL has facilitated negotiations between the Raiche-McCrory landowners and possible conservation buyers. In 2010, SRL identified BLM as the most logical steward because of their ownership and management of the adjacent lands as an ACEC. In accordance with The Cedars Conservation Plan, the acquisition objectives are: (1) for BLM to accept title to the property and manage its resources into the future as part of the adjacent ACEC, and (2) for the Sonoma Land Trust to oversee completion of a natural resources inventory of the property and collaborate with the BLM in the development of a management plan for all of The Cedars as an ecological preserve.

The Cedars Conservation Plan recommends fostering a program of focused public access to provide opportunities for members of the public and other interested groups to experience The Cedars Conservation Region, while ensuring protection of the fragile natural resources. Regularly scheduled hikes will be provided by the Sonoma Land Trust and other experienced partner organizations interested in providing public access. This strategy will encourage education and scientific research and will heighten the public's understanding of the unique

ecology of The Cedars. Sonoma Land Trust will also develop opportunities to involve the public in ongoing stewardship, monitoring and restoration activities. Creating a trail connection between Austin Creek Recreational Area and Sonoma Coast State Park is a long-term countywide goal. In the future, locating a portion of that trail system through non-sensitive areas of The Cedars Conservation Region will be considered.

In March 2010, SRL received a grant of \$360,000 from the Gordon and Betty Moore Foundation to facilitate fee title acquisition of the Raiche-McCrory Property. The landowners agreed to a bargain sale of \$600,000, \$25,000 less than the appraised value. SRL is seeking \$240,000 from the Conservancy to complete the purchase of this extraordinary property. SRL intends to immediately transfer the property to BLM for long term management and stewardship.

SRL has worked since 1918 to protect redwood forests from threats such as timber harvest, residential development and land use conversion through activities such as targeted conservation, and subsequent transfer to public agencies for permanent protection. From the beginning, the SRL has identified threats and implemented an aggressive and collaborative land acquisition and restoration program that is strongly rooted in a science-based approach. SRL launched this project in partnership with the Conservancy and the Gordon and Betty Moore Foundation to establish a large scale conservation network along the Sonoma Coast, as part of The Cedars Conservation Plan developed by the Sonoma Land Trust with funding from the Conservancy.

The Conservancy has supported SRL in numerous other acquisitions including 113 acres at Bothe-Napa Valley State Park, 175 acres at Humboldt Lagoon State Park, 1,100 acres at Montgomery Woods State Reserve, and most recently, the 957 acre Usal Forest Shady Dell Creek property.

Site Description:

Located seven miles east of the coast and forty minutes north from the town of Cazadero in western Sonoma County, the 520-acre Raiche-McCrory Property is one parcel in an approximately 11 square mile area of Sergant cypress and serpentine rock that has been known historically as "The Cedars". The Raiche-McCrory Property is bordered by roughly 1,500 acres of BLM property to the east and series of private parcels to the north, west and south (Exhibit 2). The property reaches an elevation of roughly 2,000 feet and features a series of canyons, sloping hillsides and springs. The area forms the separation for the headwaters of the Russian River, the Gualala River and Austin Creek. The Cedars provide a transitional habitat corridor from the ancient redwood forests of Armstrong Woods and Austin Creek State Reserve to the old growth reserves and protected areas on the coastline.

The distinct moonscape appearance of The Cedars is due to the presence of peridotite mantle rock (normally resting 3 to 70 miles below the earth's surface) and the serpentine soils which form as exposed peridotite reacts with extensive weathering over time (Exhibit 3). Parts of the Raiche-McCrory Property and The Cedars region as a whole receive heavy winter rains (four times that of San Francisco). At the same time, temperatures exceed 100 degrees in parts of the area during the summer.

The unique habitat of The Cedars and the variety of plants and wildlife supported in the extremes are a result of the special type of rock, serpentine soils and high pH (ultrabasic) springs present on the property (Exhibit 4). The landscape and habitat within the property include mixed evergreen woodland, cypress dominated chaparral, solid rock outcroppings, talus, carbonate formations and springs and seeps of both ultrabasic and non-extreme pH levels. The Cedars is known as a "floristic island", which refers to the fact that the plants found growing in its serpentine soils do not grow anywhere in the surrounding area. The Cedars has eight endemic plant species found nowhere else, including The Cedar's Globe lily, as well as an extensive range of serpentine-associated plants and plants of special distribution such as the Sargent Cypress (Exhibit 3).

Project History:

In 1999, botanist Roger Raiche and partner David McCrory purchased the 520-acre property in The Cedars with the goal of protecting its biological and other fragile natural resources. Roger Raiche has worked with the University of California Botanical Gardens' California Native Plant section in Strawberry Canyon for twenty years and has been involved with documenting the unique resources on the Raiche-McCrory 520-acre property over the past twenty-five years. Raiche and McCrory have developed trails to the major sites of interest on the property including the high pH springs, a deep pool known as "the Grotto", the main canyon and large waterfall with calcium formations. These hyper-alkaline springs represent one of the harshest natural environments for life on Earth and hold the possibility for understanding the limits of microbial life on the planet. The owners have hosted scientists and provided educational tours to promote awareness and study of the property's botanical, geological, microbiological and entomological resources. Now, for financial reasons, the owners must sell the property, and they have been working with several conservation partners to accomplish that goal since 2006.

In March 2007, the Conservancy authorized \$23,000 to the Sonoma Land Trust to complete a Conservation Plan for The Cedars area and conduct pre-acquisition work for the Raiche-McCrory Property. The Cedars Conservation Plan was finalized in December 2009 (Exhibit 5). The Cedars Conservation Plan's stated goal for the region is to protect and create a large intact preserve which will serve to promote and expand scientific research, and provide appropriate public access for the purposes of environmental education. Given its location and exceptional resources, the 520-acre Raiche-McCrory Property is a keystone parcel in this endeavor. The property is immediately adjacent to a 1,500-acre parcel owned by the BLM which is designated as an Area of Critical Environmental Concern (ACEC), the highest designation of protection given by the BLM. It is also in close proximity to a 40-acre "gateway" parcel purchased by the Sonoma Land Trust in December 2006.

SRL began negotiating to buy the property in 2009. In 2010, SRL identified BLM as the most logical steward because of its ownership and management of the adjacent lands as an ACEC. In accordance with The Cedars Conservation Plan, the acquisition objectives are: (1) for BLM to accept title to the property and manage its resources into the future as part of the adjacent ACEC, and (2) for the Sonoma Land Trust to oversee completion of a natural resources inventory of the property and collaborate with the BLM in the development of a management plan for all of the

Cedars as an ecological preserve.

An appraisal conducted in November 2009, valued the 520-acre property at \$675,000. As part of the pre-acquisition due diligence, a Phase I Environmental Assessment and Limited Phase II Investigation was completed June 2010 to answers questions about possible contamination from two former chromite mines operated on the property from 1916-1918. In addition, there was evidence of fuel storage on a few areas on the property. The Phase I and Limited Phase II report concluded that there was little risk to human health and the environment from the petroleum hydrocarbons, high lead concentration at one sample site, low concentrations of other metals, and naturally occurring asbestos from the serpentine. Because BLM is unable to accept property containing former mines, the landowners have agreed to retain two 10-acre parcels containing the former mines for scientific research staging sites. In August 2010, an updated appraisal minus the 20 acres to be retained by the landowners valued the 500 acres at \$625,000.

In March 2010, SRL received a grant of \$360,000 from the Gordon and Betty Moore Foundation to facilitate fee title acquisition of the Raiche-McCrory Property. The landowners have agreed to a bargain sale of \$600,000, thereby contributing \$25,000. SRL is seeking \$240,000 from the Conservancy to complete the purchase.

Scientists and researchers from the University of California, Stanford University, University of Southern California and Delft University in the Netherlands have expressed strong support for the protection of The Cedars (Exhibit 6). A number of scientists have focused on the potential for research on the rare microbial processes taking place in the high pH waters of The Cedars. According to one, "The Cedars represents one of the few places on Earth, where mantle rock is exposed to the surface...and may represent a rare reminder of what Earth looked like a few billions of years ago...California possess a rare gem of Nature, which needs to be preserved and secured for future generations". Interest in The Cedars has also generated a film, "What's Up in the Universe?" which was aired on National Public Television.

The Sonoma Land Trust and partners in the West County/Coastal Collaborative Working Group facilitated by the Conservancy have included The Cedars in priorities identified for western Sonoma County. The Sonoma Land Trust has worked with the current property owners to conduct tours with the Conservancy, SRL, Department of Fish and Game, the BLM and the Sonoma County Agricultural Preservation and Open Space District.

PROJECT FINANCING:

SRL has negotiated a bargain sale with the landowners to bring the acquisition price down to \$600,000 from the appraised value of \$625,000. Through secured funding from the Gordon and Betty Moore Foundation, SRL will contribute \$360,000 towards the purchase price.

Coastal Conservancy	\$240,000
Gordon and Betty Moore Foundation	\$360,000
Property Owners (Bargain Sale)	\$ 25,000

Total Project Cost \$625,000

Staff anticipates using the fiscal year 08/09 appropriation to the Conservancy from the "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" (Proposition 84) These funds may be used for the acquisition of fee interest in property in accordance with the Conservancy's enabling legislation, Division 21 of the Public Resources Code. The proposed project is acquisition of fee title of property for the purpose of natural resource and open space protection and public access consistent with this purpose. The acquisition of the Raiche-McCrory Property will protect natural habitat values within the watersheds of the Russian River, Austin Creek and the Gualala River. In addition, the project is consistent with Chapter 4.5 of Division 21. Proposition 84 also requires that, for acquisition projects that protect natural resources, the Conservancy assess whether the project meets at least one of the criteria specified in Section 75071 of the Public Resources Code. The proposed acquisition satisfies four of the five specified criteria:

- 1) The property links to existing protected areas with other large blocks of protected habitat. The linkage serves to connect existing protected areas, facilitate wildlife movement and botanical transfer, and results in sustainable combined acreage.
- 2) The project will contribute to the long-term protection of and improvement to the water and biological quality of the streams, aquifers and terrestrial resources within the Russian River, Austin Creek and Gualala River watersheds.
- 3) The property supports large areas of riparian scrub, chaparral and rare serpentine-related habitat which can be considered "under-protected" major habitat types because of their rare occurrence and vulnerability to threats from development.
- 4) There are significant non-state funds expected to contribute toward the acquisition and stewardship of this property.

As required by Section 75701, Conservancy staff has submitted to the Resources Agency and posted on the Conservancy's website an explanation as to how the proposed acquisition meets the criteria of this section.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The Raiche-McCrory Property acquisition will be undertaken pursuant to Chapter 4.5 (Section 31160 et seq.) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code, regarding the protection of resources of regional importance in the San Francisco Bay Area.

Pursuant to Section 31162 (b), the Conservancy is authorized to award grants to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas and other open space resources of regional importance. Acquisition of the Raiche-McCrory Property for

permanent conservation will protect the regionally important natural resources and habitat and transitional habitat corridors between protected inland forests and protected forests on the coast.

Consistent with Section 31163(a) of the criteria for the Bay Program, the proposed project is a cooperative effort with a private land trust and willing sellers for land acquisition in the San Francisco Bay Area.

Consistent with Section 31163(b) and (c) the project will serve a multi-regional constituency, has public and private partners and includes matching funds to leverage those of the Conservancy.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOALS & OBJECTIVES:

The proposed project is consistent with the Conservancy's Strategic Plan as it supports the following Goals and Objectives:

Goal 4 – Objective A: by acquiring significant coastal resource properties and areas for habitat and wildlife corridors;

Goal 5 – Objective B: by protecting biological diversity in coastal areas and inland habitat areas;

Goal 5 – Objective C: by preserving wildlife corridors both between core habitat areas along the coast and from coastal to inland habitat areas;

Goal 10 – Objective A: by acquiring watershed areas and regionally significant property in the San Francisco Bay Area.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on June 2009, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
- 3. **Support of the public:** In addition to being a priority project of the BLM, the Sonoma Land Trust, the Gordon and Betty Moore Foundation, the project is supported by the region's elected officials, including Fifth District Supervisor Effren Carillo. There is also strong support for protecting The Cedars among conservation partners and scientists familiar with

its resources as evidenced by the letters of support in Exhibit 6.

- 4. **Location:** The proposed project is located forty minutes north of the town of Cazadero and seven miles in from the coast in western Sonoma County.
- 5. **Need:** Conservancy funding is necessary to move quickly on the opportunity to protect a key property in The Cedars. The project will support the Conservancy's mandate to conserve special resources for the purpose of scientific study and wildlife and habitat protection.
- 6. **Greater-than-local interest:** The unique properties found only in The Cedars area are of greater-than-local interest for scientific research and attract scientists from the United States and abroad.
- 7. **Sea level rise vulnerability;** The project is located in an area that is not vulnerable to impacts due to anticipated rise in sea levels attributable to global climate change

Additional Criteria

- 8. **Urgency:** An opportunity exists now as the Raiche-McCrory Property owners have agreed to a bargain sale of the 500 acres and a significant grant from a private foundation is available.
- 9. **Resolution of more than one issue:** The proposed acquisition will protect the unique habitat of the Raiche-McCrory Property in The Cedars, enable public educational and scientific access to these natural resources..
- 10. **Leverage:** The SRL will provide a 150% match from a private foundation to leverage Conservancy funds and has negotiated a Bargain Sale reduction in the property cost with the property owners.
- 11. **Readiness:** The SRL has been working with the Raiche-McCrory Property owners over the past year. The SRL is finalizing the terms of the purchase agreement and is in a position to close by the summer of 2011.
- 12. **Realization of prior Conservancy goals:** See "Project History" above.
- 13. **Cooperation:** SRL is a regional conservation partner with a record of successful collaboration with the Conservancy, BLM, State Parks, Sonoma Land Trust, private property owners and conservation organizations.
- 14. Vulnerability from climate change impacts other than sea level rise. The project will protect 500 acres of open space area. The protection of the woodland and rare serpentine habitats may offer a benefit for the stabilization of the atmosphere, as compared with site degradation or rural development. Acquisition of this property will establish an Ecological Preserve that will offer connectivity for movement and adaptation of wildlife between the ancient redwood forests inland and the protected coastal forests.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Raiche-McCrory Property in The Cedars lies outside the Coastal Zone and is not under the jurisdiction of Sonoma's Local Coastal Program. The proposed project is consistent with the Resource Conservation Element of the Sonoma County General plan which calls for the protection of the county's water, forest and biotic resources (Sections 3.0, 4.0 and 5.1). The project will provide for the protection of unique habitat and rare and endangered species through acquisition of the Raiche-McCrory Property and development of a management plan for an ecological preserve (Section 5.2).

COMPLIANCE WITH CEQA:

The Raiche-McCrory Property acquisition involves the fee title acquisition of real property in order to preserve its existing natural conditions, including plant and animal habitat. No development is currently contemplated. The acquisition of the property as provided in this staff recommendation is thus categorically exempt from the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations Section 15325, which exempts transfers of ownership of interests in land in order to preserve existing natural conditions. Staff will file a notice of exemption upon Conservancy approval.